

EnergyPro, Inc.

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Georgetown, Texas 78628

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RECEIVED DEC 22 1997

December 18, 1997

Mr. Michael E. Stogner
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

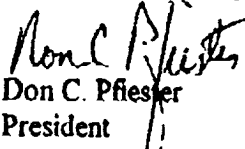
RE: Petroleum Development Corporation
PEDCO-State No. 1
Section 16, T11S, R38E
Lea County, New Mexico

Dear Mr. Stogner:

Enclosed please find the various forms necessary for an "unorthodox" location drilling permit for the referenced well. I hope this data will be sufficient for the OCD to grant an administrative approval for the drilling permit for the well. Please call should you require any further data/information as a delay in granting the permit may cause the lease upon which the well is to be located to lapse.

Sincerely,

ENERGYPRO, INC. (Agent for Petroleum Development Corporation)


Don C. Pfister
President